(i) credit card complaints;

(ii) pension complaints;

(iii) complaints relating to failure in providing the promised facilities, including through the direct selling agents; and

(iv) complaints relating to non-adherence to fair practices code as adopted by individual banks.

Liquidity crisis in Banking Sector

1505. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the Centre's surplus fund holding with RBI has touched almost Rs. 50,000 crores;

(b) whether the banking sector now reeling under a liquidity crunch is pressing hard for spending such surplus on projects to ease the liquidity crunch; and

(c) whether Government choose to hold on to the surplus funds to contain fiscal deficit and keep inflation at acceptable levels as per RBI directives?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The surplus cash balance of the Central Government had reached its peak at Rs. 53,609 crore on December 23, 2005. It has since declined to Rs. 36,355 crore as on February 28, 2006.

(b) Pressures on market liquidity are partly frictional, arising from seasonal and transient factors including the redemption of India Millennium Deposits (IMD), and partly cyclical, associated with the pick up in growth momentum and induced demand for bank credit.

(c) The fiscal deficit of the Central Government reflects the gap between the expenditure, net of repayments and non-debt capital receipts whereas the surplus cash balances of Central Government arise on account of interplay of different factors, including surplus cash balances of State Governments which are invested in 14 days intermediate treasury bills. The surplus cash balances have the effect of contracting the liquidity in the banking system. Central Government support to liquidity management of RBI is facilitated through the Market Stabilisation Scheme.